

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

LOTES CO., LTD.,

Plaintiff,

No. C 11-01036 JSW

v.

HON HAI PRECISION INDUSTRY CO.,
LTD., et al.,

Defendants.

**ORDER REGARDING FURTHER
BRIEFING AND CONTINUING
HEARING**

Now before the Court is the administrative motion filed by Plaintiff and Counterclaim Defendant Lotes Company, Ltd. ("Lotes") to file a sur-reply. The Court grants Lotes' motion. Lotes shall file its sur-reply by no later than May 29, 2012.

In the event the Court finds that there are disputed issues of fact which preclude summary judgment, the parties appear to agree that the Court should resolve any disputed issues of fact as the trier of fact based upon the parties' submissions in support of their motions for summary judgment. The parties shall file a stipulation to clarify this point by no later than May 31, 2012. If the parties cannot agree and do not file a stipulation by this date, the Court will not resolve any disputed issues of fact as the trier of fact on the parties' cross-motions for summary judgment.

Both parties reference an opinion from the Taiwan Intellectual Property Court regarding the parties' Patent License Agreement. Lotes represents that the opinion from Taiwan Intellectual Property Court has been appealed and, thus, is not binding. The parties shall each

1 file a brief of no more than five pages by June 5, 2012 in which they address what impact, if
2 any, the opinion from the Taiwan Intellectual Property Court would have on the pending
3 litigation before this Court once the opinion, or a subsequent opinion from an appellate court in
4 Taiwan, becomes final. If a final opinion from the Taiwanese court would have a res judicata or
5 collateral estoppel effect here, the parties shall address whether this Court should defer ruling
6 on the parties' dispute regarding the interpretation of the exhibit attached to the Patent
7 Litigation Agreement.

8 The Court notes that where, as here, contract issues are "intimately related with the
9 substance of enforcement of a patent right," Federal Circuit precedent governs. *Flex-Foot, Inc.*
10 *v. CRP, Inc.*, 238 F.3d 1362, 1365 (Fed. Circ. 2001). Although the parties seem to agree on this
11 legal point, the parties do not provide the Court with any authority from the Federal Circuit
12 regarding the interpretation of a contract that alters a legal rule, such as the burden of proof.
13 The parties shall each file a brief of no more than three pages by June 5, 2012 in which they
14 provide the applicable legal standard under Federal Circuit precedent.

15 Additionally, the Court notes that Defendants and Counter-claimants Hon Hai Precision
16 Industry Co., Ltd. ("Hon Hai") and Foxconn Electronics, Inc. ("Foxconn") (collectively,
17 "Defendants") have not publicly filed redacted versions of their opposition and cross-motion for
18 summary judgment or of the Declaration by Benjamin Sley in support of their opposition and
19 cross-motion. Defendants shall e-file the redacted versions of these documents by no later than
20 May 25, 2012.

21 The Court HEREBY CONTINUES the hearing on the parties' motions for summary
22 judgment to July 20, 2012.

23 **IT IS SO ORDERED.**

24
25 Dated: May 21, 2011



JEFFREY S. WHITE
UNITED STATES DISTRICT JUDGE